

Interim report April-June 2021

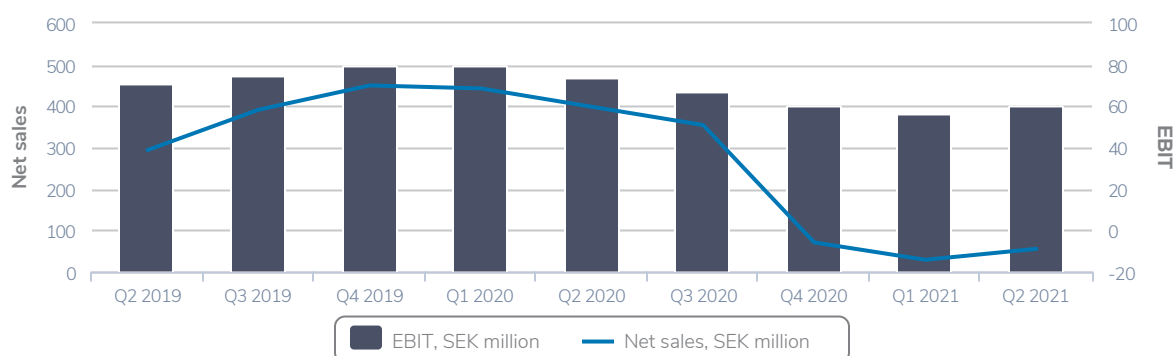
Strong improvement in instrument sales

Quarter April-June 2021

- ▶ Net sales amounted to SEK 110.7 (90.6) million, an increase of 22.1 percent. After adjustment for currency effects, the increase is 33.9 percent.
- ▶ The number of instruments sold amounted to 974 (564), an increase of 73 percent.
- ▶ Cash flow from operating activities amounted to SEK 8.2 (17.6) million.
- ▶ Operating profit was SEK 2.3 (-3.0) million, corresponding to an operating margin of 2.1 (-3.3) percent.
- ▶ Profit after tax amounted to SEK -1.4 (-43.0) million.
- ▶ Basic and diluted earnings per share amounted to SEK -0.07 (-2.21).

Key figures	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jul 20-Jun 21 (R12)	Jul 19-Jun 20 (R12)
Sales growth, %	22.1	-24.3	1.1	-12.3	-14.2	3.1
Net sales, SEK million	110.7	90.6	211.3	209.0	402.7	469.5
Gross margin, %	41.7	40.8	43.0	44.1	43.7	45.2
Operating profit (EBIT), SEK million	2.3	-3.0	9.2	12.3	-9.0	59.7
Operating margin (EBIT), %	2.1	-3.3	4.3	5.9	-2.2	12.7
Profit after tax, SEK million	-1.4	-43.0	-1.1	-35.6	-13.5	-8.1
Net debt, SEK million	12.8	11.5	12.8	11.5	12.8	11.5
Return on equity, %	-0.5	-13.2	-0.4	-10.9	-4.8	-2.7
Net debt/EBIT (R12), times	-1.4	0.2	-1.4	0.2	-1.4	0.2
Diluted earnings per share, SEK	-0.07	-2.21	-0.06	-1.83	-0.70	-0.42

Net sales (R12) and EBIT (R12)



Strong sales growth

We are finally starting to see clear signs of recovery in the market. Reduced spread of virus and increasing vaccination rates have eased restrictions in several markets and communities are starting to open up. The US is our market that has come the furthest, with stable sales at a normal level. Increased instrument sales in individual countries in Asia and good growth in the OEM business resulted in a sales increase of 22 percent, corresponding to an increase of 34 percent in constant currencies.

Strong instrument sales in Asia confirm our market position while sending a very positive signal that the market expects a return to more normal patient and testing flows. Demand for instruments has exceeded our supply capacity during the quarter, which has been reduced due to supply chain disruptions, forcing us to delay some customer deliveries.

However, many markets remain affected by COVID-19 with restrictions keeping patient visits and testing at a continued low level. This affects sales of consumables for the quarter, which remain low, although 6 percent higher than in the previous year.

Continued low sales of consumables and the resulting unfavorable product mix affected the gross margin, which was 41.7 percent in the quarter. The gross margin was also impacted by increased supply chain costs related to logistics, higher prices of components and negative production variances because of disturbances.

Operating profit was SEK 2.3 million, corresponding to an operating margin of 2.1 percent.

Cash flow from operating activities amounted to SEK 8.2 million and the Group's available cash and available liquidity were SEK 67 million.

Well-filled order book for instruments and strong OEM sales

We experienced a good order intake during the spring and are entering the third quarter with a larger than normal order book at a start of a quarter. To increase our delivery capacity in the fall, we have increased the number of operators in instrument production. However, production capacity continues to be constrained by a shortage of components, which not only slows our production rate but also temporarily drives costs. We believe that the situation with component shortages and logistics will gradually improve during the fall. Our team has done a fantastic job during the spring to solve the challenges we have had to secure continuous production. We are acting on external factors to optimize the supply of goods and are working to improve the gross margin.

OEM sales continue to perform very well. The product line "OEM and CDS brands" increased by 41 percent compared with the previous year.

The supply agreement for consumables signed with one of our major customers in August 2020 is now fully implemented and contributed significant revenue in the second quarter. The order book looks strong for the third quarter. There are also several promising projects in progress with the potential to increase revenue in 2022.



Increase in marketing activities

All major conferences and trade fairs have been cancelled since the start of the pandemic, so it was with great satisfaction we were able to attend a major trade fair in June for the first time in over a year. The trade fair raises hopes for a more normalized world and markets. The fair, which was held in Dubai, mainly attracts distributors and other industry players with a focus on the Middle East and Africa – regions with great potential for Boule. We were there to develop existing distributors and make contacts with new ones.

Sales of veterinary products showed good growth in the quarter, partly due to a new distributor in Malaysia. Together with this distributor we held a joint online product training session aimed at the distributor's end customers, which had an immediate positive impact.

Good progress in key projects

The platform project has developed according to plan. It is encouraging to note that we have been able to deliver on the key milestones, considering the long lead times, particularly for electronics. The milestone for the quarter was completion of the system integration of the planned final hardware design. During the quarter SEK 13 million was invested in the new platform and the release of an initial advanced 5-part instrument is scheduled for the end of 2022.

Our factory in Russia for local production of consumables is nearing completion. The last parts of the production equipment were delivered in mid-June and installation, testing and validation of the production process is now in progress. We are planning for the first commercial delivery towards the end of the summer.

Preparation of Boule's quality systems and products for the new European IVDR Regulation, which comes into force in May 2022, is proceeding according to plan.

Strengthening the organization and Executive Team

The process of developing and strengthening the organization continues. We are preparing the organization to manage new regulatory requirements and drive global commercialization of products based on the new platform. During the quarter, we have recruited a number of key employees, including two new members of the Executive Team. Ann-Helen Engman is the new Global Quality Manager and Mattias Isaksson is the Global Marketing Manager, a new role in the Executive Team. I look forward to drawing on Ann-Helen's and Mattias's in-depth expertise and extensive experience as we continue developing Boule.

During what has been an intense spring and summer for Boule, we have both strengthened the organization and passed important milestones. The market is still negatively affected by the pandemic, but we are seeing a positive development in demand, which has resulted in a strong order intake. We continue to work with our loyal distributors and suppliers to address existing market needs while investing in new products and projects with the aim to ensuring our long-term profitability and growth.

I look forward to an exciting, productive autumn and in the meantime I wish you a good summer!



Group performance April-June 2021

Net sales

Net sales for the period amounted to SEK 110.7 (90.6) million, an increase of 22.1 percent. After adjustment for USD and EUR currency effects, the increase was 33.9 percent. Instrument sales increased by 51 percent and OEM and CDS brand sales increased by 41 percent compared with the same period the previous year. Sales of consumables increased by 6 percent. The lower increase for consumables is due to a large proportion of our installed base being in Asia, which continues to be seriously affected by restrictions and lockdowns. This has resulted in a reduced number of doctor visits and therefore lower test volumes. Accumulated net sales for the period January to June amounted to SEK 211.3 (209.0) million, representing an increase of 1.1 percent and 11.2 percent adjusted for currency effects.

Net sales by region, SEK million	Apr-Jun 2021	Apr-Jun 2020	change	Jan-Jun 2021	Jan-Jun 2020	change	Jul 20- Jun 21 (R12)	Jul 19- Jun 20 (R12)	change (R12)
USA	38.1	32.5	17%	71.0	67.1	6%	132.3	143.0	-8%
Asia	31.2	20.3	54%	51.5	49.6	4%	105.9	129.2	-18%
Eastern Europe	14.5	13.8	5%	27.9	31.9	-13%	51.1	69.1	-26%
Latin America	7.7	7.6	1%	21.0	20.2	4%	33.7	39.3	-14%
Western Europe	7.4	6.4	15%	14.9	15.9	-7%	35.1	35.1	0%
Africa/Middle East	11.7	9.9	18%	25.0	24.3	3%	44.6	53.8	-17%
Total	110.7	90.6	22%	211.3	209.0	1%	402.7	469.5	-14%

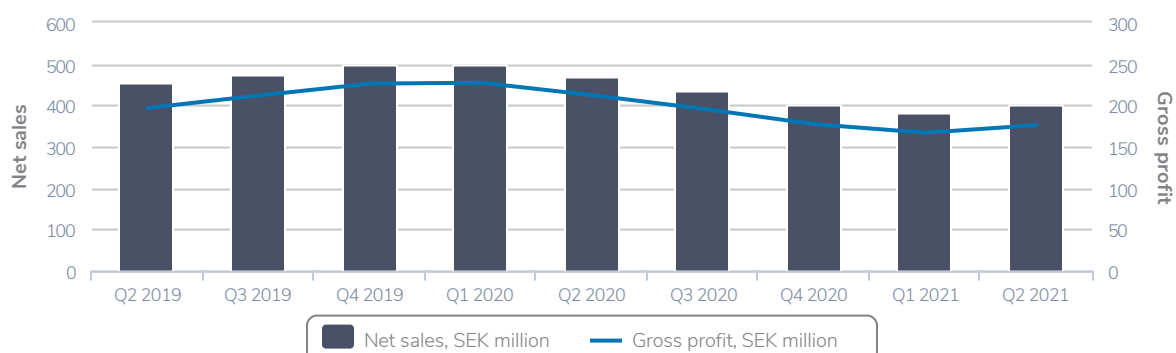
Net sales by product, SEK million

Instruments	35.8	23.6	51%	70.3	60.0	17%	130.9	149.9	-13%
Consumables, own instruments	43.6	41.2	6%	85.3	95.7	-11%	169.3	207.0	-18%
Consumables, OEM and CDS brand	23.9	16.9	41%	37.8	33.5	13%	66.7	68.7	-3%
Other	7.4	8.9	-17%	17.9	19.7	-9%	35.8	44.0	-19%
Total	110.7	90.6	22%	211.3	209.0	1%	402.7	469.5	-14%

Gross profit

Gross profit for the period was SEK 46.1 (37.0) million, with a gross margin of 41.7 (40.8) percent. The gross margin was adversely affected by a lower proportion of consumables in the product mix, a region mix with a high proportion of instrument sales to Asia, increased supply chain costs due to component shortages and logistics challenges which also result in negative production variance.

Net sales (R12) and gross profit (R12)



Expenses

Operating expenses for the period amounted to SEK 43.5 (39.4) million. Sales costs are driven by increased marketing activities and increased investment in the sales organization. Administrative expenses include the cost of establishing local manufacturing in Russia, costs of recruitment to strengthen the organization and consultancy support for the development of certain markets.

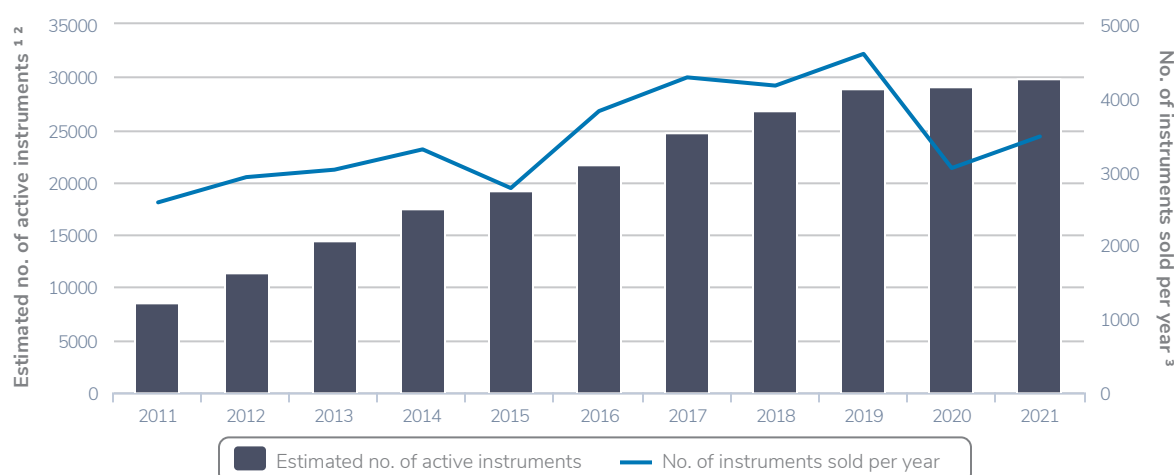
Research and development expenses, including costs related to the quality assurance organization, amounted to SEK 11.4 (12.8) million, corresponding to 10.3 (14.1) percent of net sales. Development expenses of SEK 13.1 (9.6) million were capitalized. Total research and development expenses correspond to 22.1 (24.7) percent of net sales.

The net of other operating income and other operating expenses for the period amounted to SEK -0.3 (-0.5) million and consists of positive and negative exchange differences.

Operating profit

Operating profit amounted to SEK 2.3 (-3.0) million, corresponding to an operating margin of 2.1 (-3.3) percent. The operating margin excluding capitalized development expenses was -9.7 (-13.8) percent.

Estimated number of active instruments



¹ Estimated number of active instruments installed starting 2006 is based on an expected lifespan of eight years for the instruments.

² Accumulated number of instruments sold since 2006 was 42,315 at June 30, 2021.

³ Number of instruments sold in 2021 refers to sales on a rolling 12-month basis.

Net financial items

Net financial items amounted to SEK -0.2 (-37.8) million. Net financial items for the previous year include profit/loss from associates corresponding to SEK -36.6 million.

Earnings

Profit before tax was SEK 2.1 (-40.8) million. Profit for the period was SEK -1.4 (-43.0) million.

Financing and cash flow

Cash flow from operating activities for the period was SEK 8.2 (17.6) million. Cash flow during the period was negatively affected by increased inventories to meet increased demand and ensure deliveries.

The Swedish Export Credit Agency (EKN) guarantees some of Boules trade receivables at up to 75-95 percent of the receivables' total amount. Receivables may be pledged, in which case the liabilities are reported as interest-bearing liabilities.

The change in trade receivables guaranteed by EKN is included in cash flow from operating activities, while the change in other interest-bearing liabilities is reported under cash flow from financing activities.

Cash flow for the period was SEK -3.2 (10.9) million and cash and cash equivalents at June 30 amounted to SEK 27.7 (35.7) million. Cash flow includes dividends corresponding to SEK 10.7 (0) million.

Credit facility utilization increased during the quarter. The Group's available cash and cash equivalents, including unutilized credit facilities, was SEK 67.0 (85.5) million at June 30. The Company has taken a loan of SEK 20 million after the end of the period to ensure good liquidity.

Investments

Total investments amounted to SEK 13.8 (12.1) million, with investments in future product platforms accounting for SEK 13.1 (9.6) million of the figure.

Equity and liabilities

The Group's equity at June 30, 2021 was SEK 262.3 (297.7) million and the equity/assets ratio was 50 (53) percent.

Interest-bearing liabilities excluding leases are primarily related to pledged trade receivables guaranteed by EKN and amounted to SEK 107.2 (117.2) million at June 30, 2021. SEK 20.4 (40.1) million of these liabilities were non-current and SEK 86.8 (77.1) million were current. At June 30, 2021, SEK 17.6 (8.6) million of the credit facility had been used and other current non-interest-bearing liabilities and trade payables amounted to SEK 102.1 (80.1) million.

Lease liabilities at June 30 amounted to SEK 33.4 (42.1) million. SEK 20.7 (29.5) million of these liabilities were non-current and SEK 12.7 (12.6) million were current.

Net debt at June 30, 2021 amounted to SEK 12.8 (11.5) million.

Deferred tax assets amounted to SEK 0.0 (0.0) million and deferred liabilities were SEK 16.4 (24.3) million at June 30.

Non-current provisions consist of direct pension provisions of SEK 3.3 (3.8) million.

Significant risks and uncertainties

The Group's operations are subject to risks and uncertainties that may, to a varying extent, affect the Company's ability to achieve defined goals. Boule works continuously on management of existing risks and uncertainties and on the risk inventory that forms the basis for detecting new risks and uncertainties. The systematic and internally coordinated work is aimed at identifying risks, limiting risk exposure and minimizing any impact should a risk materialize. Currently, primary risks and uncertainties have been identified in the following areas: regulatory risks, product portfolio risks, distributor risks, production and quality risks, counterfeit reagents, price pressure, supplier risks, market risks and competition, bribery, and corruption, currency risks, IT security and systems, financing risks and future cash flows, health and safety in the workplace, dependence on key personnel and the effects of Covid-19.

Boule is currently exposed to exchange rate changes. A change of +/- 10 percent in the USD/SEK exchange rate affects net sales by +/- SEK 20 million and operating profit by +/- SEK 4 million. Boule works constantly to reduce the Group's currency exposure in its operations.

A more detailed description of risks, risk management and related opportunities can be found in the 2020 Annual Report. The risks are considered unchanged from those described in the Annual Report, other than the update on the effects of Covid-19 presented below.

Covid-19

Like other companies, Boule faces new challenges related to the spread of Covid-19. There has been a slowdown in sales as a result of the closure of many markets, with a significant decline in routine healthcare visits and therefore fewer blood samples taken. The length of time in which key markets are closed will determine the impact on sales of consumables in the period ahead. New sales of instruments have also stopped at times, with

healthcare providers concentrating on managing Covid-19 patients.

Problems of components and raw material shortages, logistics and distribution to customers have arisen and continue to arise due to a lack of transport capacity and obstacles related to border closures. The disruptions have escalated in the first half of 2021. Boule is taking active measures to mitigate the impact by working closely with the Group's subcontractors, planning and booking deliveries well in advance and reducing the spread of infection in factories by arranging for non-production staff to work from home.

Boule has focused on ensuring good liquidity. Some investments have been postponed but long-term strategic investments have continued according to plan.

Future effects on sales are difficult to estimate as there is continuing uncertainty about how quickly the markets will recover in 2021. In the longer term, we see a continuation of stable growth for the decentralized near-patient market that Boule addresses. We consider the negative earnings effect during the quarter to be temporary.

Related-party transactions

Other than remuneration of the Board and senior executives, no related-party transactions have taken place during the period.

Parent Company

Boule Diagnostics AB (publ), corporate ID 556535-0252, is a Swedish limited liability company with its registered office in Stockholm. The address of the head office is Domnarvsgatan 4, SE-163 53 Spånga, Sweden.

The Parent Company's revenue is derived from Group-wide services.

Risks and uncertainties for the Parent Company indirectly correspond with those for the Group.

Personnel

The average number of employees in the Group during the period was 218 (213), including 7 (8) employees at the Parent Company. The average number of employees by country was as follows: Sweden 123 (116), United States 84 (89), Mexico 2 (2) and Russia 9 (6). The average number of women in the Group was 99 (93) and the average number of men was 119 (120).

During the quarter, we recruited a number of key employees, including two new members of the Executive Team who start in the autumn. Ann-Helen Engman is the new Global Quality Manager, succeeding Debbie Herrera who has chosen an alternative career. Ann-Helen has held global roles in quality assurance and regulatory compliance and also has a background as an international product manager. For many years, Ann-Helen has been active in developing regulatory standards, relevant to Boules' activities, at national and international level. We have also appointed Mattias Isaksson as Global Marketing Manager, a new role in the Executive Team. Mattias is a highly experienced marketing and communications manager with over 25 years of hands-on experience leading teams and driving sales growth in global organizations.

Number of shares

The total number of shares and votes in Boule Diagnostics AB is 19,416,552 and has remained unchanged in 2021. After full dilution, the number of shares amounts to 19,959,349.

Shareholders, June 30, 2021 (and known changes thereafter)	Number of shares, June 30	Share of capital/votes
Svolder AB	2,414,194	12.4%
AB Grenspecialisten	2,274,332	11.7%
Thomas Eklund inkl bolag	1,956,055	10.1%
Swedbank Robur Fonder AB	1,940,000	10.0%
Tredje AP-fonden	1,625,771	8.4%
Nordea Fonder	1,699,228	8.8%
Länsförsäkringar Fonder	781,577	4.0%
Andra AP-Fonden	684,974	3.5%
Skandinaviska Enskilda Banken UK	534,298	2.8%
Société Générale	548,139	2.8%
CBNY-Norges Bank	382,165	2.0%
Sijoitusrahasto Aktia Nordic	371,270	1.9%
Fondita Nordic	354,000	1.8%
Other shareholders (2,689)	3,850,549	19.8%
Total number of shares	19,416,552	100.0%

Option programs

The Board of Directors believes that it is important and in the interest of all shareholders that the CEO and key employees, who are considered important to the Company's further development, have a long-term interest in good value growth for the Company's shares. A personal, long-term shareholder commitment would be expected to contribute to increased interest in the Company's operations and financial performance, and to increase the CEO's and key employees' motivation and affinity with the Company and its shareholders.

The warrants have been allotted and purchased by employees at market conditions. The market value has been determined using the Black & Scholes option valuation model.

If a warrant holder's employment ceases, Boule has the right of first refusal and may choose to exercise that right. The Board has decided to exercise the right of first refusal regarding former employees who purchased warrants in the 2019 program, and 100,638 warrants have accordingly been repurchased since allotment. There are no restrictions on transferring warrants in the programs.

Outstanding programs	Outstanding options			Corresponding shares	Proportion of total no. of shares	Exercise price	Exercise period
	CEO	Key employees	Total				
2019/2022	0	362,797	362,797	362,797	1.9%	67.50	1 Juni 2022-30 Dec 2022
2020/2023	130,000	50,000	180,000	180,000	0.9%	86.70	1 juni 2023-30 dec 2023
	130,000	412,797	542,797				

The Board of Directors and the CEO certify that this interim report provides a true and fair view of the operations, financial position and earnings of the Parent Company and the Group and describes the material risks and uncertainties faced by the Parent Company and the other Group companies.

Stockholm, July 19, 2021

Boule Diagnostics AB

Peter Ehrenheim

Chairman of the Board

Thomas Eklund

Board member

Karin Dahllöf

Board member

Jon Risfelt

Board member

Charlotta Falvin

Board member

Yvonne Mårtensson

Board Member

Torben Jørgensen

Board Member

Jesper Söderqvist

CEO

This interim report has not been reviewed by the Company's auditor.

Consolidated income statement and other comprehensive income

SEK millions	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020
Net sales	110.7	90.6	211.3	209.0
Cost of sales	-64.6	-53.6	-120.4	-116.9
Gross profit	46.1	37.0	90.8	92.2
<i>Gross margin</i>	<i>41.7%</i>	<i>40.8%</i>	<i>43.0%</i>	<i>44.1%</i>
Other operating income	1.6	4.3	4.4	11.8
Distribution costs	-23.1	-19.8	-43.8	-42.5
Administrative expenses	-9.0	-6.8	-16.2	-15.6
Research and development expenses ¹	-11.4	-12.8	-21.7	-22.7
Other operating expenses	-1.9	-4.8	-4.2	-10.9
Operating profit	2.3	-3.0	9.2	12.3
<i>Operating margin</i>	<i>2.1%</i>	<i>-3.3%</i>	<i>4.3%</i>	<i>5.9%</i>
Finance income	0.9	0.2	0.4	0.3
Finance costs	-1.1	-1.5	-3.5	-2.9
Profit/loss from associates	0.0	-36.6	0.0	-40.3
Net financial items	-0.2	-37.8	-3.2	-42.9
Profit before tax	2.1	-40.8	6.0	-30.6
Income tax	-3.6	-2.2	-7.1	-4.9
Profit for the period	-1.4	-43.0	-1.1	-35.6
OTHER COMPREHENSIVE INCOME				
Items that may be reclassified to profit/loss for the period				
Exchange differences on translation of foreign subsidiaries for the period	-3.1	-12.3	4.8	0.5
Total other comprehensive income	-3.1	-12.3	4.8	0.5
Total comprehensive income for the period	-4.6	-55.3	3.7	-35.1
Basic earnings per share, SEK	-0.07	-2.21	-0.06	-1.83
Diluted earnings per share, SEK	-0.07	-2.21	-0.06	-1.83

As the Group does not have any non-controlling interests, comprehensive income is wholly attributable to owners of the Parent Company.

Consolidated statement of financial position

SEK millions	30 Jun 2021	30 Jun 2020	31 Dec 2020
ASSETS			
NON-CURRENT ASSETS			
Intangible assets			
Capitalized development expenses	139.6	137.9	115.6
Goodwill	75.1	80.8	72.9
Total intangible assets	214.6	218.6	188.5
Property, plant and equipment			
Financial assets (Rent)	32.3	40.7	34.9
Plant and machinery	5.0	4.8	4.7
Equipment, tools, fixtures and fittings	10.5	13.6	11.0
Leasehold improvements	3.8	5.1	4.2
Total property, plant and equipment	51.6	64.1	54.7
Financial assets			
Investments in associates	0.0	0.0	0.0
Other financial assets	2.9	3.2	3.0
Non-current trade receivables (guaranteed 75-95% by EKN)	32.4	43.2	36.8
Deferred tax assets	0.0	0.0	0.0
Total financial assets	35.3	46.5	39.8
Total non-current assets	301.5	329.2	283.1
CURRENT ASSETS			
Inventories			
Raw materials and supplies	33.9	53.2	35.8
Products in progress	9.0	2.6	3.9
Finished goods and merchandise	16.0	13.9	14.8
Total inventories	58.9	69.6	54.5
Current receivables			
Tax assets	6.3	5.3	3.0
Trade receivables	43.3	47.1	33.2
Trade receivables (guaranteed 75-95% by EKN)	67.7	68.8	60.4
Other receivables	4.2	2.9	3.5
Prepaid expenses and accrued income	15.8	6.5	8.9
Total current receivables	137.3	130.5	109.1
Cash and cash equivalents	27.7	35.7	33.0
Total current assets	223.9	235.9	196.6
TOTAL ASSETS	525.4	565.1	479.7

SEK millions	30 Jun 2021	30 Jun 2020	31 Dec 2020
TOTAL EQUITY AND LIABILITIES			
EQUITY			
Share capital	4.9	4.9	4.9
Other contributed capital	202.4	201.6	202.4
Translation reserve	7.9	19.9	3.1
Retained earnings, including profit for the period	47.1	71.3	58.9
Total equity	262.3	297.7	269.3
LIABILITIES			
Non-current liabilities			
Non-current interest-bearing liabilities	1.9	14.6	1.8
Non-current interest-bearing liabilities (for receivables guaranteed by EKN)	18.5	25.5	16.0
Non-current lease liabilities/rent	20.7	29.5	23.8
Provisions	3.3	3.8	3.3
Deferred tax liabilities	16.4	24.3	12.8
Total non-current liabilities	60.8	97.6	57.7
Current liabilities			
Current interest-bearing liabilities	18.1	9.0	10.3
Current interest-bearing liabilities (for receivables guaranteed by EKN)	68.7	68.1	61.2
Current lease liabilities/rent	12.7	12.6	12.3
Trade payables	43.4	31.5	29.4
Tax liabilities	6.1	3.0	3.3
Other liabilities	15.5	11.9	6.5
Accrued expenses and deferred income	36.9	32.7	28.7
Non-current provisions	1.0	1.0	1.1
Total current liabilities	202.3	169.8	152.7
Total liabilities	263.1	267.4	210.4
TOTAL EQUITY AND LIABILITIES	525.4	565.1	479.7

Consolidated statement of changes of equity

SEK millions	Share capital	Other contributed capital	Translation reserve	Retained earnings, incl. profit for the period	Total equity
EQUITY, JANUARY 1, 2020	4.9	201.7	19.5	106.8	332.9
Comprehensive income for the period					0.0
Profit for the period				-35.6	-35.6
Other comprehensive income for the period			0.5		0.5
Comprehensive income for the period			0.5	-35.6	-35.1
Transactions with shareholders					
Option programs			-0.1		-0.1
Dividend				0.0	0.0
EQUITY, JUNE 30, 2020	4.9	201.7	19.9	71.2	297.7
EQUITY, JANUARY 1, 2021	4.9	202.4	3.1	58.9	269.3
Comprehensive income for the period					
Profit for the period				-1.1	-1.1
Other comprehensive income for the period			4.8		4.8
Comprehensive income for the period			4.8	-1.1	3.7
Transactions with shareholders					
Option programs					0.0
Dividend				-10.7	-10.7
EQUITY, JUNE 30, 2021	4.9	202.4	7.9	47.1	262.3

Consolidated cash flow statement

SEK millions	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020
Operating activities				
Operating profit	2.3	-3.0	9.2	12.3
Adjustments for non-cash items	6.2	4.5	10.1	10.1
Interest received	0.2	0.2	0.4	0.3
Interest paid	-1.1	-1.2	-2.3	-2.6
Income tax paid	-2.4	-0.3	-4.0	-2.3
Cash flow from operating activities before changes in working capital	5.2	0.4	13.3	17.7
Cash flow from changes in working capital				
Increase (-)/Decrease (+) in inventories	-8.1	-5.8	-3.6	-12.0
Increase (-)/Decrease (+) in operating receivables	1.2	21.8	-16.6	7.3
Increase (-)/Decrease (+) in operating receivables (guaranteed by EKN)	-1.1	13.6	-2.9	12.6
Increase (+)/Decrease (-) in operating liabilities	11.0	-12.3	30.6	6.6
Cash flow from operating activities	8.2	17.6	20.8	32.2
Investing activities				
Investments in associates	0.0	0.0	0.0	0.0
Acquisition of property, plant and equipment	-0.7	-1.6	-1.5	-2.9
Investment in capitalized development expenses	-13.1	-10.5	-26.8	-21.3
Cash flow from investing activities	-13.8	-12.1	-28.3	-24.2
Financing activities				
Proceeds from borrowings/Repayment of borrowings	0.0	12.6	0.0	12.6
Increase (+)/Decrease (-) in financial liabilities (EKN financing)	4.0	-11.1	10.0	-7.1
Increase (+)/Decrease (-) in financial liabilities	12.0	6.7	7.7	6.5
Proceeds from borrowings/Repayment of borrowings and lease interest	-2.9	-2.7	-5.8	-5.6
Dividend	-10.7	0.0	-10.7	0.0
Cash flow from financing activities	2.4	5.4	1.3	6.4
Cash flow for the period	-3.2	10.9	-6.2	14.4
Cash and cash equivalents at beginning of period	31.5	26.6	33.0	21.6
Exchange differences in cash and cash equivalents	-0.7	-1.8	0.9	-0.2
Cash and cash equivalents at end of period	27.7	35.7	27.7	35.7

Parent Company income statement

SEK millions	Jan-Mar 2021	Jan-Mar 2020	Jan-Jun 2021	Jan-Jun 2020
Net sales	7.4	5.0	13.4	13.4
Administrative expenses	-6.5	-5.6	-12.1	-13.3
Other operating expenses	-1.2	-0.5	-2.2	-0.9
Operating profit	0.0	-1.1	-0.6	-0.8
Anticipated dividend from subsidiaries	0.0	0.0	0.0	21.0
Profit/loss from associates	0.0	0.0	0.0	0.0
Profit/loss from financial items	0.0	0.0	0.0	0.0
Profit/loss after financial items	-0.3	-55.5	-1.0	-55.2
Group contribution	0.0	0.0	0.0	0.0
Profit/loss before tax	-0.3	-55.5	-1.0	-55.2
Tax	0.0	0.0	0.0	0.0
Net profit/loss	-0.3	-55.5	-1.0	-55.2

As no items are recognized in other comprehensive income, the Parent Company's profit for the period corresponds to comprehensive income.

Parent Company balance sheet

SEK millions	30 Jun 2021	30 Jun 2020	31 Dec 2020
NON-CURRENT ASSETS			
Intangible assets			
Capitalized development expenses	0.9	0.9	1.1
Total intangible assets	0.9	0.9	1.1
Property, plant and equipment			
Equipment	0.1	0.2	0.2
Total property, plant and equipment	0.1	0.2	0.2
Finansiella anläggningstillgångar			
Shares in Group companies	155.3	155.3	155.3
Shares in associates	0.0	0.0	0.0
Other financial assets	2.6	3.0	2.6
Deferred tax assets	0.1	0.0	0.1
Total financial assets	158.1	158.4	158.1
Total non-current assets	159.1	159.5	159.3
CURRENT ASSETS			
Skattefordringar	1.6	1.6	1.1
Receivables from Group companies	1.3	0.2	21.3
Other receivables	0.8	0.4	0.9
Prepaid expenses and accrued income	2.5	1.6	1.5
Total current receivables	6.3	3.8	24.8
Cash and bank balances	0.1	0.2	0.8
Total current assets	6.4	4.0	25.6
TOTAL ASSETS	165.5	163.5	184.9
EQUITY	146.1	135.6	157.8
LIABILITIES			
Non-current liabilities			
Other provisions	3.3	3.8	3.3
Total non-current liabilities	3.3	3.8	3.3
Current liabilities			
Trade payables	5.2	4.3	4.3
Liabilities to Group companies	5.4	13.5	14.0
Other liabilities	0.6	0.5	0.7
Accrued expenses and deferred income	4.9	5.9	4.8
Total current liabilities	16.1	24.1	23.9
Total liabilities	19.4	27.9	27.1
TOTAL EQUITY AND LIABILITIES	165.5	163.5	184.9

Note 1 Accounting policies

Boule Diagnostics AB (publ.) applies IFRS (International Financial Reporting Standards) as adopted by the EU. This interim report has been prepared in accordance with IAS 34, Interim Financial Reporting. The interim report for the Parent Company has been prepared in accordance with chapter 9 of the Swedish Annual Accounts Act and RFR 2 Accounting for Legal Entities. The interim report should be read alongside the annual report for the financial year ending December 31, 2020. The accounting policies are consistent with those applied in the previous financial year. The fair values of financial assets and liabilities are considered to be equal to their carrying amounts. The interim information on pages 1-8 forms an integral part of this financial report, which comprises pages 1-21.

Note 2 Pledged assets and contingent liabilities

June 30, SEK millions	Group		Parent Company	
	2021	2020	2021	2020
Pledged assets	167.5	184.9	5.8	6.3
Contingent liabilities	0.0	0.0	83.8	105.1

Note 3 Revenue by region and product

Net sales by region, SEK million	Apr-Jun 2021	Apr-Jun 2020	change	Jan-Jun 2021	Jan-Jun 2020	change	Jul 20-Jun 21 (R12)	Jul 19-Jun 20 (R12)	change (R12)
USA	38.1	32.5	17%	71.0	67.1	6%	132.3	143.0	-8%
Asia	31.2	20.3	54%	51.5	49.6	4%	105.9	129.2	-18%
Eastern Europe	14.5	13.8	5%	27.9	31.9	-13%	51.1	69.1	-26%
Latin America	7.7	7.6	1%	21.0	20.2	4%	33.7	39.3	-14%
Western Europe	7.4	6.4	15%	14.9	15.9	-7%	35.1	35.1	0%
Africa/Middle East	11.7	9.9	18%	25.0	24.3	3%	44.6	53.8	-17%
Total	110.7	90.6	22%	211.3	209.0	1%	402.7	469.5	-14%

Net sales by product, SEK million

Instruments	35.8	23.6	51%	70.3	60.0	17%	130.9	149.9	-13%
Consumables, own instruments	43.6	41.2	6%	85.3	95.7	-11%	169.3	207.0	-18%
Consumables, OEM and CDS brand	23.9	16.9	41%	37.8	33.5	13%	66.7	68.7	-3%
Other	7.4	8.9	-17%	17.9	19.7	-9%	35.8	44.0	-19%
Total	110.7	90.6	22%	211.3	209.0	1%	402.7	469.5	-14%

Quarterly overview

	2021		2020				2019		
	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun
Net sales, SEK million	110.7	100.6	92.7	98.8	90.6	118.4	129.3	131.2	119.7
Gross profit, SEK million	46.1	44.7	39.2	45.8	37.0	55.2	57.7	62.3	52.0
Gross margin, %	41.7	44.4	42.3	46.4	40.8	46.6	44.6	47.5	43.4
EBITDA, SEK million	13.5	12.3	3.6	28.9	2.4	20.8	20.3	37.8	11.6
EBITDA margin, %	12.2	12.3	3.9	29.3	2.7	17.5	15.7	28.8	9.7
Depreciation and impairment of property, plant and equipment, SEK million	4.2	4.2	4.2	4.4	4.4	4.5	4.1	4.5	4.7
EBITA, SEK million	3.6	8.1	-0.6	24.5	-1.9	16.2	16.2	33.3	6.9
EBITA margin, %	3.3	8.1	-0.6	24.8	-2.1	13.7	12.5	25.4	5.8
Amortization and impairment of intangible assets, SEK million ¹	1.3	1.3	41.1	1.0	1.0	1.0	1.0	1.0	1.0
EBIT, SEK million	2.3	6.8	-41.6	23.5	-3.0	15.2	15.1	32.3	5.9
EBIT margin, %	2.1	6.8	-44.9	23.7	-3.3	12.9	11.7	24.6	5.0
Profit after tax, SEK million ¹	-1.4	0.3	-32.6	20.2	-43.0	7.4	7.2	20.3	0.3
Basic earnings per share, SEK	-0.07	0.02	-1.68	1.04	-2.21	0.38	0.37	1.04	0.01
Diluted earnings per share, SEK	-0.07	0.02	-1.68	1.04	-2.21	0.38	0.37	1.04	0.01
Cash flow from operating activities per share, SEK	0.37	0.65	1.30	0.92	0.91	0.75	1.02	1.23	0.80
Return on equity, %	-0.5	0.1	-11.2	6.6	-13.2	2.2	2.2	6.4	0.1
Net debt/ EBIT (R12)	-1.4	0.2	0.8	-0.1	0.2	0.0	0.1	0.4	0.7
Equity/assets ratio, %	50	54	56	56	53	56	57	56	55

¹ Profit/loss from biosurfit and the impairment of the Group's holding in the associate in Q2 2020 are not included in the Group's operating profit. The impairment loss of SEK 36.6 million is recognized in net financial income together with biosurfit's profit/loss and is therefore only shown in profit after tax in the quarterly overview.

Definitions

Use of alternative performance measures

The Boule Group's financial statements are prepared in accordance with IFRS. Only a small number of performance measures are defined in IFRS. Boule applies the ESMA (European Securities and Market Authority) Guidelines for Alternative Performance Measures. In brief, an alternative performance measure is a financial measure of historical or future earnings development, financial position or cash flow that is not defined or specified in IFRS. Boule presents certain non-IFRS performance measures in order to support management and other stakeholders in their analysis of the Group's development. Management believes that use of these measures facilitates this analysis. These alternative performance measures supplement the information presented in accordance with IFRS and do not replace IFRS performance measures. Boule's definitions of non-IFRS performance measures shown on page 19 may differ from those of other companies. Calculations for all performance measures can be reconciled to line items in the income statement and balance sheet.

Sales growth is net sales for the period divided by net sales for the comparative period, expressed as a percentage change

Gross profit is net sales less cost of sales

Gross margin is gross profit divided by net sales

EBITDA (Earnings before interest, taxes, depreciation and amortization) is profit before net financial items, taxes, depreciation of property, plant and equipment and amortization of intangible assets

EBITDA margin is EBITDA divided by net sales

EBITA (Earnings before interest, taxes and amortization) is operating profit before net financial items, taxes and amortization of intangible assets

EBITA margin is EBITA divided by net sales

EBIT (Earnings before interest and taxes) is operating profit before net financial items and taxes

EBIT margin (Operating margin) is EBIT divided by net sales

Working capital is inventories, trade receivables (current and non-current) and cash less trade payables

Interest coverage ratio is operating profit plus finance income divided by finance costs

Return on equity is profit after tax divided by average equity

Net debt is interest-bearing liabilities less cash and cash equivalents and current and non-current interest-bearing receivables guaranteed by EKN

Net debt/equity ratio is net debt divided by equity

Equity/assets ratio is equity divided by total assets.

Operating margin excluding non-recurring expenses is operating profit before non-recurring expenses divided by net sales

Operational cash flow is cash flow from operating activities, excluding net investments in intangible assets and property, plant and equipment, financing, non-recurring items and restructuring expenses, but including tax paid.

About Boule Diagnostics

Boule Diagnostics AB (publ) is a global diagnostics company specializing in near-patient, decentralized blood diagnostics and one of the few companies in the global diagnostics market that conducts its own development, manufacturing and marketing of instruments and consumables for blood diagnostics. The Company primarily serves hospitals, clinics, laboratories and other diagnostics companies to which it offers complete systems for blood diagnostics (hematology) in both the human and veterinary areas. Boule has strong positions in important emerging markets such as in Asia and in recent years has improved its position in the fast-growing veterinary market. Operations are conducted through operating subsidiaries in Sweden, the United States, Mexico and Russia. The Group reported net sales of approximately SEK 400 million in 2020 and has over 200 employees. Sales are conducted globally, predominantly through the company's 200 or so distributors in over 100 countries, supported by Boule's own local sales and service personnel. Boule has been listed on Nasdaq Stockholm since 2011.

VISION

Improving health for everyone, everywhere.

MISSION

We work closely with our customers and partners to provide user-friendly, high-quality, near-patient diagnostics solutions everywhere in the world.

BUSINESS CONCEPT

We efficiently develop, manufacture and provide complete solutions for the human and veterinary markets.

FINANCIAL TARGETS

- ▶ Operating margin (EBIT margin) above 15 percent,
- ▶ Average annual long-term sales growth above 10 percent,
- ▶ Net debt (interest-bearing liabilities minus cash and cash equivalents).
- ▶ An annual dividend corresponding to 25-50 percent of profit for the year, taking into account the Company's liquidity.

STRATEGIES

Protect and grow Boule's core business

Continue to improve efficiency, increase production capacity and ensure quality and regulatory compliance. Develop and launch next generation product platforms.

Secure positions in emerging markets

Further develop distributor relationships and networks and strengthen local presence.

Grow in new segments and markets

Expand into new geographical markets and new customer segments with improved sales methods and resources and by joining with partners.

Develop OEM and CDS brand operations

Focus on and expand selected profitable product segments (CDS=Clinical Diagnostic Solutions, OEM=Original Equipment Manufacturer).

Broaden the customer offering

Develop new product platforms and broaden the product portfolio through partnerships and acquisitions. Expand the offering of service and customer solutions.

OUR BRANDS

SwelabTM

MedonicTM
Human

QuintusTM

exigoTM

Other information

Calendar

Interim report Q3 2021	November 10, 2021
Year-end report 2021	February 3, 2022
Interim report Q1 2022	May 4, 2022
2022 Annual General Meeting	May 5, 2022

Presentation of the interim report

CEO Jesper Söderqvist and CFO Christina Rubenhag will present and comment on the interim report through Teams Live Event. After the presentation, there will be time for questions.

The presentation will be held in English.

Time: 10.00, July 19, 2021

[Please follow this link to participate.](#)



Jesper Söderqvist

President and CEO

+46 (0)70-689 05 90

jesper.soderqvist@boule.com



Christina Rubenhag

CFO

+46 (0)70-546 72 22

christina.rubenhag@boule.com

This information is information that Boule Diagnostics AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securites Market Act. The information was submitted for publication, through the agency of the contact person set out above, at 08:30 CET on July 19, 2021.